A6225-1

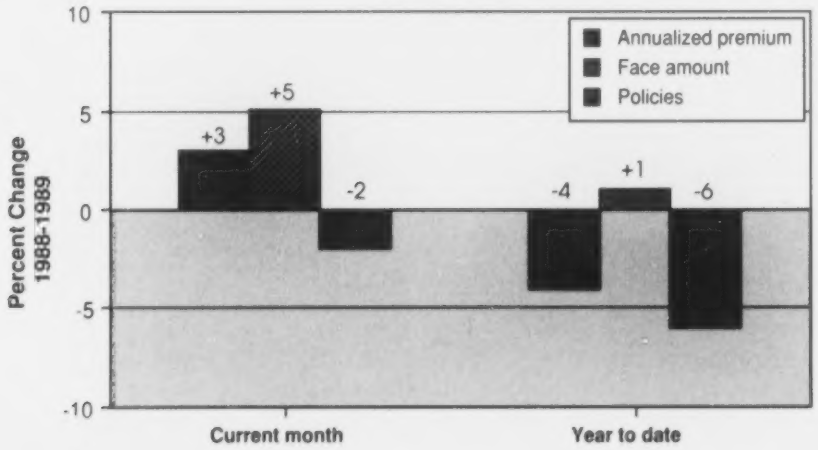
I/R Code 47.40

October 1989

MONTHLY SURVEY OF LIFE INSURANCE SALES IN THE UNITED STATES

Individual Sales

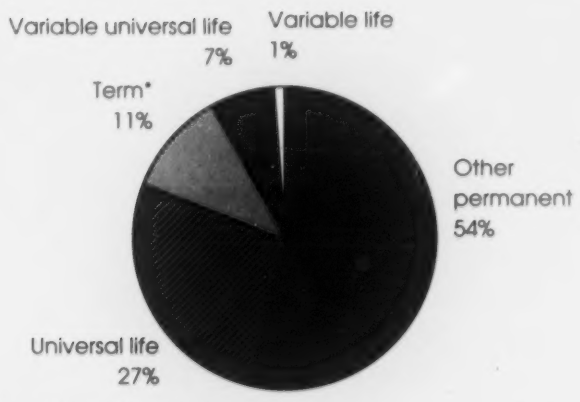
122 Companies



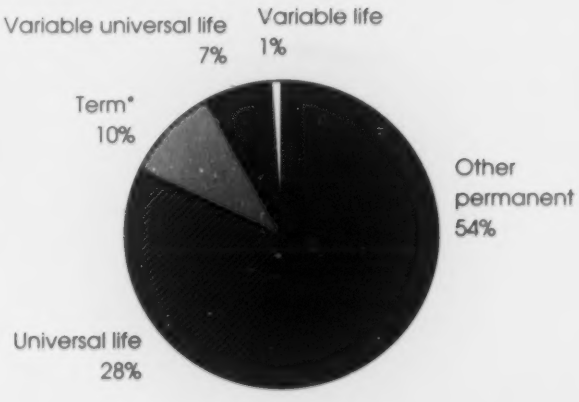
Annualized premium includes 10 percent of single premiums. Some companies report only premium (without corresponding face amount) for single premium paid-up addition riders.

Annualized Premium Market Share by Product

Current Month



Prior 12 Months (October 1988 – September 1989)



*Estimated based on 85 companies

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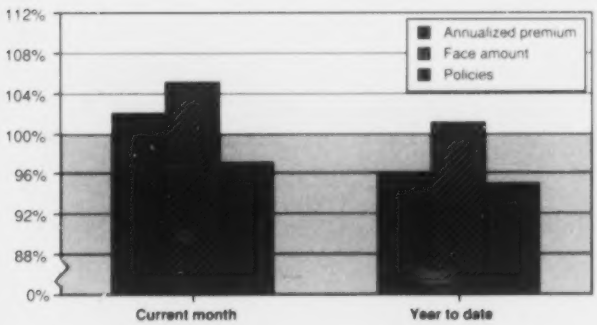
Profit from our research.

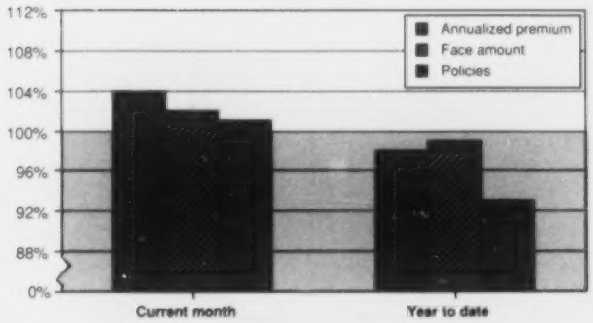
111 Ordinary Companies and Departments

Ratio 1989/1988



17 Home Service Companies and Departments

Ratio 1989/1988



Policy Characteristics – All Companies

Year to Date

	Premium per $1,000	Average size policy	Premium per policy
Total home service companies and departments	$15.58	$ 13,905	$ 217
Total ordinary companies and departments	$ 9.19	$ 93,715	$ 861
Total sales	$ 9.57	$ 69,969	$ 669

Policy Characteristics by Product

Year to Date

	Premium per $1,000	Average size policy	Premium per policy
Term (85 cos.)	$ 2.56	$ 160,794	$ 411
Universal life (106 cos.)	$10.62	$ 93,213	$ 990
Variable life (18 cos.)	$13.28	$ 85,546	$ 1,136
Variable universal life (27 cos.)	$12.16	$ 100,552	$ 1,223
Other permanent* (84 cos.)	$16.76	$ 37,328	$ 626

*Includes current-assumption whole life

Sales Comparisons with Last Year

Year to Date Ratio 1989/1988

	Annualized premium	Face amount	Number of policies
Term (85 cos.)	98%	99%	92%
Universal life (106 cos.)	103%	104%	100%
Variable life (18 cos.)	48%	65%	53%
Variable universal Life (27 cos.)	85%	91%	100%
Other permanent* (84 cos.)	92%	101%	92%

*Includes current-assumption whole life

Single Premium vs. Periodic Premium

(in thousands)

	Single premium (full value)			Annualized premium (excluding single)		
	1988	1989	Ratio 89/88	1988	1989	Ratio 89/88
Month	$ 174,020	$ 72,640	42%	$ 472,396	$ 494,887	105%
Year to date	$3,010,879	$ 830,948	28%	$ 4,726,173	$ 4,742,404	100%

Universal Life

Interest Rates This Month

Median	8.6%
Range	6.9% - 10.0%
Range of middle 50%	8.2% - 9.0%
Number of companies reporting	95
Number of plans reported	281

Contributors' Growth Rates

Change in Annualized Premium
Year to Date

Percent change 1988 - 1989	Number of . . . Ordinary cos./depts.	Home service cos./depts.
21% or over	15	0
11% – 20%	16	2
1% – 10%	23	5
-9% – 0	26	7
-19% – -10%	20	2
-20% or under	11	1

October Sales*

	Annualized premium+ (000)			Face amount (000)			Number of policies		
122 Companies									
	1988	1989	Ratio 89/88	1988	1989	Ratio 89/88	1988	1989	Ratio 89/88
January	$ 403,674	$ 416,822	103%	$ 38,936,937	$ 41,904,820	108%	593,988	596,641	100%
February	479,414	433,792	90	47,743,380	45,855,821	96	769,042	683,640	89
March	555,133	532,966	96	55,490,407	55,729,040	100	896,956	815,879	91
April	524,253	476,259	91	51,689,930	50,548,858	98	792,685	743,981	94
May	519,727	516,831	99	51,485,696	53,751,687	104	782,475	769,118	98
June	538,708	519,964	97	53,344,326	54,142,570	101	808,450	760,232	94
July	482,620	441,449	91	47,390,714	46,168,872	97	702,656	646,256	92
August	522,101	496,348	95	52,198,837	52,521,999	101	778,473	727,283	93
September	511,833	488,917	96	50,736,834	50,117,933	99	757,312	717,638	95
October	489,798	502,151	103	51,182,580	53,624,395	105	760,927	747,723	98
November	508,464			52,462,868			766,336		
December	709,066			65,874,448			850,322		
Year Total	$6,244,791			$618,536,957			9,259,622		
Year to date	$5,027,261	$4,825,499	96%	$500,199,641	$504,365,995	101%	7,642,964	7,208,391	94%
111 Ordinary Companies and Departments									
Month	$ 442,981	$ 453,661	102%	$ 48,089,576	$ 50,461,387	105%	539,787	523,273	97%
Year to date	$4,553,273	$4,360,857	96%	$470,123,364	$474,543,158	101%	5,333,290	5,063,685	95%
11 Home Service Companies and Departments									
Month	$ 46,817	$ 48,490	104%	$ 3,093,004	$ 3,163,008	102%	221,140	224,450	101%
Year to date	$473,988	$464,642	98%	$30,076,277	$29,822,837	99%	2,309,674	2,144,706	93%

+Includes 10 percent of single premiums

*Excludes $210 million of corporate-owned life insurance premiums reported in 1988 and $273 million reported in the first ten months of 1989.

About the Survey

This survey gives ordinary sales results of a group of companies that report three measures of sales performance — face amount (volume), annualized premiums, and number of policies. From these data, premium per $1,000, average size policy, and premium per policy, as well as trends in those statistics, are derived. Sales results by product are also shown for a subset of the contributing companies.

The definition of new sales excludes revivals, indexed increases, dividend additions, reinsurance acquired, credit insurance (coverage of obligations not exceeding 120 months' duration) and products without insurance (such as annuities). The data include mass-marketed ordinary business.

The ordinary results are based on the experience of 122 companies — and their 56 subsidiary companies — operating in the United States. These contributors represent 61 percent of the 1987 United States ordinary volume sold and 69 percent of 1987 *first-year collected* premiums. Since no industry data are available on total *annualized* new ordinary premiums, the proportion of annualized premiums represented by these contributors cannot be determined. The business of these contributors may not represent the industry proportions of participating and nonparticipating policies and of term and permanent insurance sold; therefore, statistics (such as premium per $1,000) derived from the experience of the contributors may not represent the experience of the industry as a whole.

Company corrections are incorporated on a monthly basis to provide contributors with the most up-to-date information.

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